

Jovita Carranza, Administrator
US Small Business Administration
409 3rd St, SW
Washington DC 20416

Dear Administrator Carranza:

Plumbers, electricians, carpenters, painters, HVAC technicians, contractors, landscapers and handymen, America's home service providers, are the backbone of our economy. Across the nation, millions of local men and women, work to keep one of our largest investments and principal sources of wealth—our homes—safe, secure and viable. In my district and across the country, these skilled trade professionals are vital and essential to not only our local economy, but also our health, happiness and well-being.

But right now, due to the COVID-19 pandemic, home service professionals and their businesses, most of them small businesses, find themselves at great risk at what would be their peak earning season. The survival of these small businesses in the building trades, many of them sole proprietorships, is critical to ensure that, as people remain in their homes during this pandemic, basic needs for electricity, plumbing, air conditioning and other essential services are nevertheless met. The U.S. already suffers from a shortage of skilled tradespersons and a dramatic reduction in the millions of people who work in these industries would be catastrophic to our safety in this crisis, as well as our personal and financial security and recovery after it subsides. The CARES Act is one critical step forward towards ensuring these small businesses, many of which are solo practitioners, can survive this crisis.

In light of these facts, I would implore you, as the SBA works to implement the new Paycheck Protection Program established under the CARES Act and adapt its other small business lending programs in response to the coronavirus pandemic, to make certain that the small businesses in the building trades be protected, that aid to them hold the highest priority, and that such assistance be made available as quickly as possible.

These constituents of mine do not have weeks to wait, let alone months. Their work secures and augments the value of our homes, which will make them and those like them across the country an indispensable part of our Nation's economic recovery from this crisis. In your specific efforts to help this vital industry survive this crisis, I therefor ask you take the following into consideration in evaluating its members' eligibility for the Paycheck Protection Program and other SBA support:

- **Speed and simplicity.** SBA should act swiftly – in days not weeks - to establish clear and simple standards and processes that allow borrowers to apply, and lenders and their business partners to approve, as quickly as possible. Documentation and other requirements need to be straightforward and leverage, as much as possible, existing business relationships these small businesses have. Moreover, the process should

recognize the unique limitations this crisis imposes upon the ability to compile paperwork and apply in person.

- **Protection of sole proprietors and the self-employed.** Sole proprietors and the self-employed are a crucial backbone to the economy, both in my district and across the country, and Congress has made clear they should be supported by the Paycheck Protection Program. In administering this program with the utmost speed and efficiency, it will be crucial for the SBA recognize the unique needs of this group, making sure that it adapts its criteria for loan and forgiveness amounts, as well as other key parts of the program, to reflect the different needs and situations of all members of this crucial sector of the economy.
- **Protection of seasonal employers.** The reality is that many of these small businesses are directly impacted by seasonal variations. Congress has clearly expressed in the CARES Act that the unique situation of seasonal employers should be taken into consideration by SBA. It will be very important, therefore, that the SBA promulgate rules that clearly and broadly define this group to ensure that no deserving small business is left out.
- **Fair and transparent forgiveness processes.** Congress established this program as a path to grant support by making loans forgivable. That should be honored, and borrowers need to be able to clearly understand what they'll need to do to qualify for forgiveness. SBA should take all possible steps to make this a streamlined process with clear, understandable notice of all requirements and no bureaucratic red-tape or hidden conditions that could result in denial of forgiveness on technical grounds.
- **Prioritization of small businesses with 50 or fewer employees, including sole proprietors and the self-employed.** Both the legislation and the SBA consider small businesses to be businesses with under 500 employees. It is vital that the smallest of such small businesses, those with 50 or fewer employees, be prioritized in this process, and that sufficient funds allocated to the 7(a) program be set aside to ensure the viability of these businesses through and beyond this crisis.

Thank you for your consideration of this matter, and for the extraordinary work you are doing on behalf of a grateful country at this extraordinarily difficult time. I and my staff will be at your disposal for any necessary discussion of the foregoing requests on behalf of this very important industry.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marc Veasey', with a stylized flourish at the end.

Congressman Marc Veasey